



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

AMENDMENT ONE (1)

Notice to: **ALL PROSPECTIVE PROPOSERS:**

From: Ken Hackett

Re: RFP 10-08 Vision Benefit

Date: April 19, 2010

This amendment is hereby made a part of the above referenced Request for Proposal. Offerors should acknowledge receipt of the amendment by including a copy of this document with their proposal submittal.

The following paragraphs are hereby changed to read:

1.J Proposals Due: April 30, 2010 at 3:00 PM, Nashville local time to:

11. C. Delivery of Proposals

All proposals are to be delivered before **April 30, 2010 at 3:00 PM**, Nashville local time to:

If you personally deliver your bid or RFP, or send by UPS or FedEx after it should be hand delivered to:

Procurement Division, 1st Floor, Lindsley Hall, 730 2nd Avenue South, Nashville, TN 37210 . Lindsley Hall is the stone building behind the former County Clerk's Building at the Richard Fulton Complex.

If you mail your bid via the U S Mail, the Mailing Address is: Procurement Division P.O. Box 196300, Nashville, TN 37219-6300.

12.C Tab V Second Bullet: – The maximum points available for this criterion are listed above. However, the minimum requirement level is no more than **half (1/2)** point granted for each 1% of total contract value for small business utilized.

Questions received for RFP 10-08 Vision Group Benefit.

Question: After reading through some of the provisions I noticed where it said No Commissions should be paid. Am I reading this correctly? Was this RFP just meant for Insurance carriers? We are a broker that can obtain quotes from several different insurance carriers to make sure we have the best rates available. However, the insurance carriers pay us a commission for our services. Please advise on how we should proceed.

Answer: Metro will not be responsible for payment of any commissions. Insurance carriers and brokers have the opportunity to submit a bid.

Question: We are not able to locate the Vision Census online with the RFP. Can you send that to us in the following format: Excel file to include all Eligible employees' Age, Gender, Zip code, Rate tier (eg emp, emp+fam), and Vision plan option, or waived indicator.

Answer: See reports at the end of this amendment.

Question: Will you be providing a census showing all eligible and enrolled? We may be able to proceed without it; however I wanted to find out if your intent was to send one.

Answer: See reports at the end of this amendment.

Question: Are you able to separate the claims by plan? Specifically, claims on the Basic Plan versus claims on the Enhanced Plan.

Answer: Yes.

Question: On page 4 Section C, first paragraph, you state that you would like pricing for an alternate plan on a 12/12/12 frequency. Can you confirm which plan (Basic or Enhanced) you want to see that frequency on? It appears, based on the table on page 6, that the current frequency for the Enhanced plan is already 12/12/12. Is that correct, or is it actually 12/12/24?

Answer: This is if Metro went to a single vision plan instead of a Basic and Enhanced plan. We are asking for an alternative single plan for Metro.

Question: On page 4, Section C, first paragraph, you state that you would like to see pricing for increasing the frame allowance to \$100. However the benefits on page 6 state that the current RETAIL allowance is \$130 (with a \$50 wholesale allowance). Are you asking for a \$100 wholesale allowance (in other words, doubling your current wholesale allowance)? Or are you asking for pricing on a benefit reduction (\$130 to \$100)?

Answer: Pricing on a benefit reduction from \$130 to \$100.

Question: Do you have a UnitedHealth Care official summary of benefits that you could provide?

Answer: **Summary of benefits is located on the Metro HR's website, http://www.nashville.gov/hr_benefits/.**

Question: On page 3, Section A, Timely Production of Management Reports, you request a Performance Guarantee and Penalty. On page 6, Section 2a, "Timely Production of Management Reports" is defined as reports described in Section V. The only Section V we can find is on page 10, in the table of reports required by Metro. Section V specifies only a Billing Report. Is the Billing Report the only report subject to the Performance Guarantee? Or are all the reports subject to the PG?

Answer: **Penalties apply to all items listed in 1.c.3**

Question: Is there a zip code census in Excel that you are also able to provide?

Answer: **Unable to provide in excel.**

Question: I know that most people responding would love to get this RFP in a word format? Can you send it?

Answer: **Contact Ken Hackett by E-mail and request the documents you would like to have in Word or Excel format. (E-mail ken.hackett@nashville.gov) If Metro has them in the format requested we will send them to you.**

Question: Is it possible to have a more in-detailed description of benefits of the current plan so my company can give an apples to apples comparison. The information can be sent to me via email or fax

Answer: **Summary of benefits is located on the Metro HR's website, http://www.nashville.gov/hr_benefits/.**

Question: The enrollment data on page 42 states 10,158 enrolled. This does not match with enrollment numbers shown on pages 25 and 28. Which is correct?

Answer: **Page 25 represents total participants eligible for vision coverage, page 28 represents forecasted participants for 2011 and page 42 indicates total participants enrolled in vision during Feb. 2010.**

Question: Please provide the total premium the plan generated by month for the last 24 months. Also, can you provide actual premium by month with corresponding claims by month?

Answer: **See attached**

Question: We need the plan rates for 2008 and 2009.

Answer: **Premiums based on employee monthly premiums**

2008 Basic Plan/Enhanced Plan

Single - \$2.94/ \$4.00

Family - \$8.94 / \$12.82

2009 Basic Plan/Enhanced Plan

Single - \$3.04 / \$4.16

Family - \$9.30 / \$13.32

Question: Page 4 requests an option for "increasing the allowance for frames to \$100.00."

The retail allowance for frames is already above this at \$130.00. Please clarify.

Answer: **Pricing is on a benefit reduction from \$130 to \$100.**

Question: Are up front 5 year fully insured rates a mandatory bid item?

Answer: **Yes.**

Question: Pages 4 and 6 of 66 (Benefit Summaries): We will respond to the RFP replicating the current Basic and Enhanced Plan Designs as well as plan designs with a Benefit Frequency for Eyeglass Frames every 12 months (vs 24 months). However, we have the unique ability to provide a "Materials Only" Plan in addition to the requested Plans. Should a Spectacle Eye Examination be included in the METRO's Medical Plan, we will be pleased to also propose our "Materials Only" Plan for the METRO employees to Buy Up from their Medical Plan.

Answer: **Please provide any proposed plans that you have for the vision insurance coverage.**

Question: Page 6 – Summary of Benefits – Please provide the Plan Summary referenced. In the plan now, contact lenses are provided in lieu of eyeglasses at \$125. Please confirm if this includes 4 boxes covered in full in lieu of that allowance.

Answer: **Contact lenses will be covered up to a maximum of \$125 per 12 or 14 months.**

Question: Page 13 – 12th bullet, 2nd sub-bullet – "Administering COB with other benefits plans". Please advise what is currently done and the specifics of what is expected going forward.

Answer: **Process is administered internally by current vendor, unable to provide specifics.**

Question: Page 25 – Questionnaire – F. Provider Network, Question 3 – Please provide the census referenced in this response.

Answer: **Zip Code Census has been provided in section B under Network Information for reference.**

Question: Page 40 – Table 2 – Metro Government Claims – Please provide additional claims data, including what was paid and a breakdown of lens options usage. Also provide enrollment by month, premium by month and loss ratio by month.

Answer: See tables attached.

Question: Page 7 Section D - With regards to call abandonment rates and performance guarantees will using the insurer's book of business abandonment rates be acceptable ?

Answer: Yes.

Question: United Vision Utilization Reports - In order to secure the most competitive proposals for Metro Government we request reports that offer greater details. Typical requested items would be by plan design and would include.

- A. Number of exams paid for each plan for the previous 24 months.
- B. Number of frames paid for each plan for the previous 24 months.
- C. Average cost of claims for the last 24 months.
- D. Premium collected for each plan for the last 24 months

Answer: See attached

Question: As of March 7th the United Vision Benefit link on the Metro Government web-site is not working. Will you provide the specific plan summary details or certificate in order for the carriers to match their benefits as close as possible.

Answer: Summary of benefits is located on the Metro HR's website, http://www.nashville.gov/hr_benefits/. Access to website is working.

Question: Page 24 Section E 3 - Progressive lens coverage. There are approximately 200 different brands and types of progressive lens options. Some competitors state that "Standard Progressive lenses" are covered in full. There truly are no standard progressive lenses. Would Metro Government require that all types and brands of progressives be covered by the materials copay. This would protect the employee from unexpected out of pocket costs when their doctor prescribes a specific progressive lens.

Answer: See attached

Question: How do we get the census of eligible employees?

Answer: Number of eligible participants included in RFP under *Network Information* table.

Question: Page 40/Table 2 - Metro Government Claims: Please provide claim experience on a separate and combined basis for both options.

Answer: See attached.

Question: Page 27 - 28/Tab III, Compensation and Cost Data: Please explain the discrepancy between the enrollment assumptions on page 28 and the lives provided in Table 2 - Metro Gov Claims.

Answer: Enrollment assumptions includes actives, pensioners, and COBRA participants.

Question: Should carriers assume that vision benefits can not be declined and will be offered to all participants?

Answer: All participants that are eligible for benefits as defined in Section C 2nd bullet.

Question: RFP 10-08/Page 8 - 9/Measurement of Performance : Is Metro willing to accept book of business results for the call abandonment rate (3e) as indicated for telephone response time (3d)?

Answer: Yes.

Question: Please confirm the premium guarantee requested is 3 years in compliance with the State of Tennessee Department of Insurance.

Answer: Premium guarantee is based on 5 years.

Question: Will you please provide a current census?

Answer: See attached

Question: Please provide a Summary Plan Description or employee communication materials for each current plan.

Answer: Vision information is provided on Metro Human Resource's website at http://www.nashville.gov/hr_benefits/.

Question: Please confirm that you are considering offering only one plan (in lieu of the basic AND enhanced).

Answer: Metro currently provides two plans but is open to offers of both a single plan and basic and enhanced plan.

Question: Please provide utilization information broken out by number of services performed, as outlined below:

- a) Exams
- b) Single Vision Lenses
- c) Bifocal
- d) Trifocal
- e) Frame

- f) Contact Lenses
- g) Lens optionsesponce

Answer: **See attached.**

Question Performance Guarantees (page 7, Item 2e): Please supply a copy of the Account Management report card scoring categories and rating scale for each category.

Answer: **See attached.**

Question: Please confirm that this is NOT a public bid and that carriers do NOT need to submit a redacted copy of their bid for public consumption.

Answer: **That is correct.**

Question: Please confirm that any Geo analysis should be performed using estimated driving distance instead of "as the crow flies".

Answer: **Estimated diving distance.**

Question: Please confirm that provider locations that do not apply the benefit AND discounts consistently should be left out of the provider/Geo analysis and directory. (i.e. big box retailers that do not issue additional discounts like 20% off any remaining frame balance after the plan allowance has been applied)

Answer: **Yes.**

Question: Will the selected vendor have an exclusive contract for Vision benefits?

Answer: **Yes.**

Question: Please forward an electronic census (Excel) showing enrollment in each plan Is it possible to further delineate and show how many are in each class (Government, Public Schools and Pensioners)?

Answer: **See attached.**

Question: Are the current rates, shown on page 39, reflective of a previous 5-yr rate guarantee with UHC?

Answer: **Yes.**

Question: Is experience available that shows enrollment and claims split by plan and class (pages 40 – 42)? This would be needed to duplicate the three rating tiers currently in place.

Answer: **No.**

Question: Is it possible to have claims detail by service, i.e., exams, lenses, and frames?
Answer: **No.**

Question: The enrollment assumptions (top of page 28) add up to 21,506 employees, yet the last date of experience, 2/10 (page 42), shows enrollment of 10,158. Please confirm the enrollment assumptions are correct, assuming over 100% growth by 1/1/2011.
Answer: **Enrollment assumptions include employees, pensioners and dependents for total participation. Claims experience is based on number of employees and pensioners enrolled not including dependents.**

Question: Are there detailed Benefit Summaries for both the Basic and Enhanced plans?
On page 28, the first paragraph states the current plans do not include "cosmetic options". We'll need to see exactly what is covered and included in the claims experience.
Answer: **Summary of benefits is located on the Metro HR's website, http://www.nashville.gov/hr_benefits/.**

Question: Progressive lenses are being considered (page 28), would you be interested in seeing prices for both standard progressive lenses and premium progressive lenses?
Answer: **Yes.**

Question: Must the Out-of-Network reimbursement levels be an exact match to the current plans?
Answer: **No.**

Question: In the "Scope of Services" section (page 4, C), it states "Proposers should also provide the rate impact if Metro decides to allow for one set of frames and lenses every 12 months instead of 24 months (i.e., 12/12/12 instead of 12/24/24) and costs for increasing the allowance for frames to \$100."
1. Question 1: Since you already have a 12/12/12 Enhanced Plan, are you wanting a 12/12/12 rate that has similar co-pays to your Basic Plan?
2. Question 2: The current allowance for frames is \$130 retail. When you speak of the costs for increasing the frame allowance to \$100, are you referring to the wholesale allowance? If it is referring to a \$100 wholesale allowance, what is your requested retail frame allowance?
Answer: **Yes, this is if Metro went to a single vision plan instead of a Basic and Enhanced plan. We are asking for an alternative single plan for Metro.**